

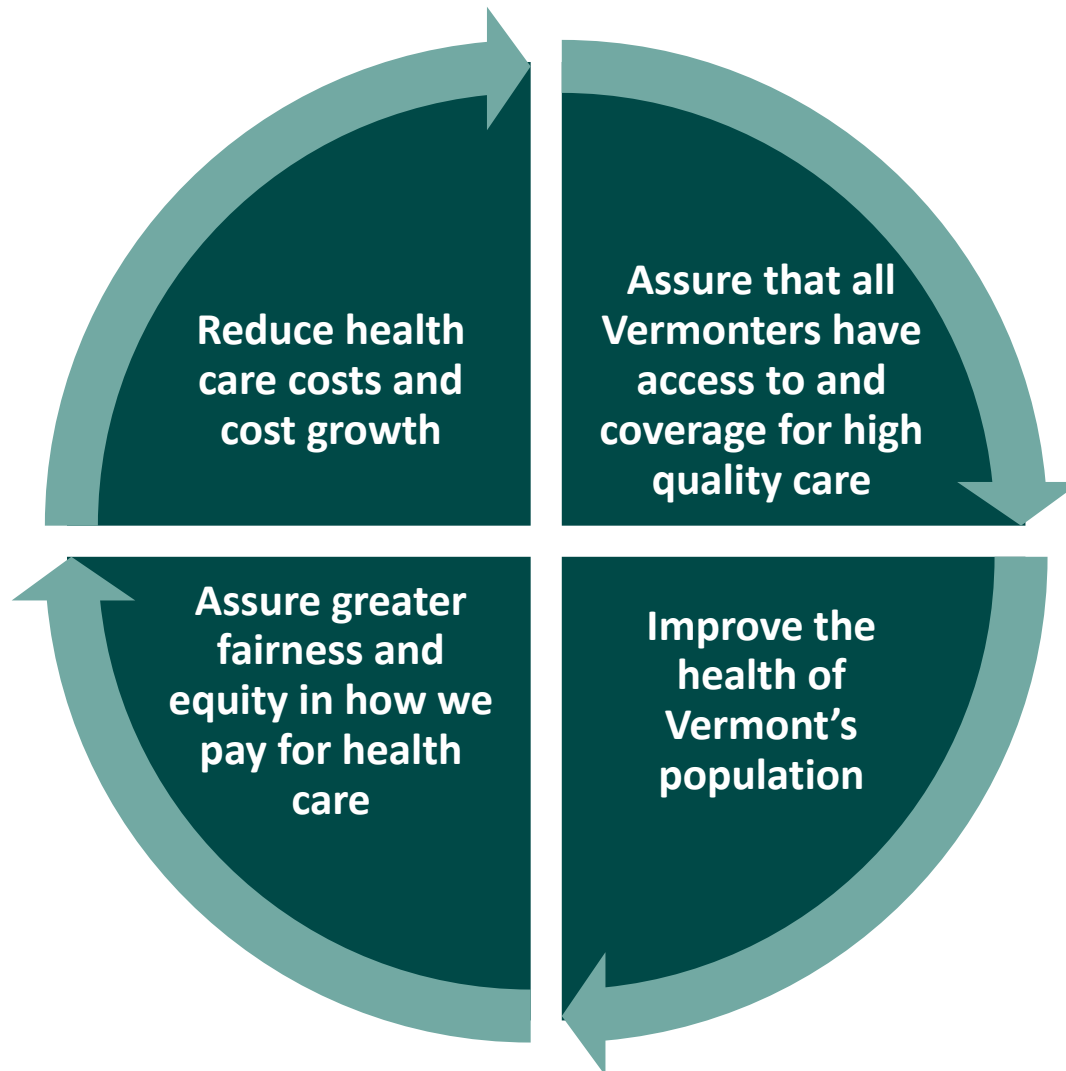
The Vermont Health Benefit Exchange: An Update for AHS Commissioners

Monday, February 11, 2013

Today's Discussion

- Health Reform Goals & Timeline
- What is the “Exchange” and who can use it?
 - Insurance Market Reforms
 - Plan Design
 - Benefits Package
 - Advanced Premium Tax Credits
 - Enrollment Assistance
 - Individual Responsibility
 - Timeline

Health Reform Goals



Timeline

Green
Mountain
Care Medicaid

Today

Vermont
Health Benefit
Exchange

2014

Green
Mountain Care
(unified
system)

After ACA waiver is available

TODAY – SEPTEMBER 2013

Design of Vermont Health Connect is underway. Updates and information will be available on VermontHealthConnect.gov.

OCTOBER 1, 2013 – MARCH 31, 2014

The first “open enrollment” period when Vermonters can compare plans and select the one that fits their needs and budget.

JANUARY 1, 2014

Health coverage begins for plans purchased through Vermont Health Connect. Starting on this date, Vermont Health Connect will be the only place where individuals and small businesses can get health insurance.

Vermont Act 48

Three main components:

- **Green Mountain Care Board**
 - To control health care cost growth
- **Vermont Health Benefit Exchange**
 - To allow individuals and businesses to compare health plans and select one that fits their needs and budget
- **Green Mountain Care**
 - To ensure high-quality health coverage for every Vermont resident

What is the “Exchange”?

- The Exchange will provide **easy-to-understand, side-by-side comparisons** of prices and benefits for public and private health plans.
- The Exchange is a web site for individuals and small businesses to compare and select health coverage, all in one place.
- The Exchange is **not an insurance plan**.
- *Note: If the state did not develop its own Exchange, the Feds would*

Through the Exchange Vermonters will:

1

Compare health insurance options

2

Enroll in a health plan

3

Secure financial assistance to help pay for care

Who Can Get Coverage?

In 2014:

- Individuals
- Small businesses (50 employees or fewer)

In 2016:

- Businesses (100 employees or fewer)

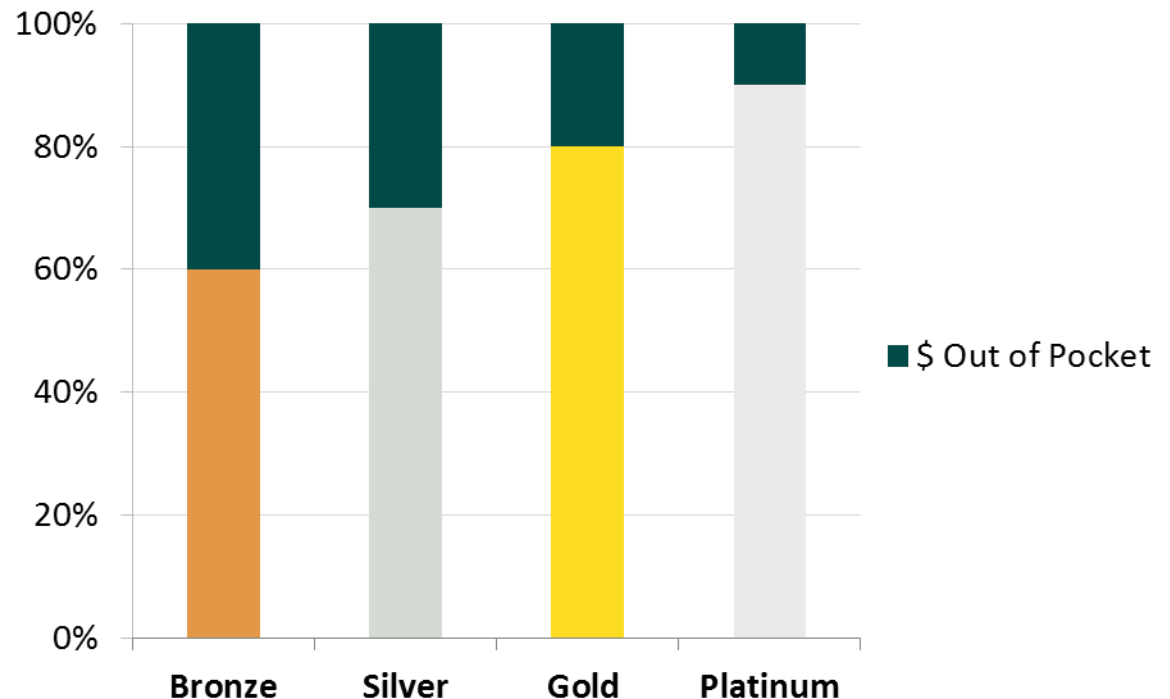
Insurance market changes under VT law & the Affordable Care Act:

- Insurance plans offered to individuals and small businesses in 2014 will *only* be available within the Exchange
- Plans must offer 10 categories of essential health benefits
- Tax credits & out of pocket expenditure limits
- Define small group at 50 employees or fewer (2014-2015)
- Specified role for brokers
- Navigator Program
- Medicaid expansion
- Individual mandate
- Guaranteed issue for pre-existing conditions
- Coverage on parents' plan until age 26
- Free preventive care

Exchange plans will: Be developed for different metal levels

Qualified Health Plans (QHPs) are being developed based on the following “metal levels”:

- Bronze
- Silver
- Gold
- Platinum



Exchange plans will:

Offer Essential Health Benefits

- All plans must have “**essential health benefits**” but the cost that insurance will cover and additional benefits will vary
- The plans offered in the state must be “substantially equal” to this benchmark plan
 - Ambulatory patient services
 - Emergency services
 - Prescription drugs
 - Rehabilitative and habilitative services and chronic disease management
 - Hospitalization
 - Maternity and newborn care
 - Mental health and substance use disorder services, including services behavioral health treatment
 - Laboratory services
 - Preventive and wellness
 - Pediatric services, including oral and vision care

Exchange plans will:

Provide access to individual tax credits

- Uninsured individuals and families, those who become uninsured, and those whose employers don't offer or drop insurance coverage may receive a federal tax credit that will pay part of their premium for the plan they purchase through the Exchange.
- This tax credit is available to those earning less than 400% of the federal poverty level
 - Less than about \$44,500 a year for an individual; less than about \$92,000 a year for a family of four
- An individual's or family's share of the premium will be between 0% and 9.5% of household income, with lower income people paying a lower percentage of their income. The remainder of the premium will be paid directly to the insurer by the federal government.

What if Vermonters need help picking a plan?

- There will be trained specialists – called **Navigators** – to answer questions and help Vermonters apply for coverage through the Exchange web site, by telephone or in-person.
- In addition, a **call center** will be available to help Vermonters go through the Exchange web site and their health insurance options.



Individual Responsibility

Under the Affordable Care Act, starting in 2014, you must be enrolled in a health insurance plan that meets basic minimum standards.

If you aren't, you may be required to pay an assessment. You won't have to pay an assessment if you have very low income and coverage is unaffordable to you, or for other reasons including your religious beliefs.

You can also apply for a waiver asking not to pay an assessment if you don't qualify automatically.

Federal Oversight and Timeline

- **October 1, 2013** – open enrollment in Exchange plans begins
- **January 1, 2014** – plans go into effect